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IAC-M-14

8 January 1951

INTELLIGENCE ADVISORY COMMITTEE

Minutes of Meeting held in Director's  
Conference Room, Administration Building  
Central Intelligence Agency, on 8 January 1951

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1228Z

Director of Central Intelligence  
Lieutenant General Walter Bedell Smith  
Presiding

MEMBERS PRESENT

Mr. W. Park Armstrong, Jr., Special Assistant, Intelligence,  
Department of State  
Major General A. R. Bolling, Assistant Chief of Staff, G-2,  
Department of the Army  
Rear Admiral Felix L. Johnson, Director of Naval Intelligence  
Major General Charles P. Cabell, Director of Intelligence,  
Headquarters, United States Air Force  
Dr. Walter F. Colby, Director of Intelligence, Atomic  
Energy Commission  
Mr. Victor P. Keay, acting for Assistant to the Director,  
Federal Bureau of Investigation

ALSO PRESENT

Mr. William H. Jackson, Central Intelligence Agency  
Dr. William L. Langer, Central Intelligence Agency  
[redacted], Central  
Intelligence Agency

[redacted] Central Intelligence Agency  
Mr. Charles C. Stelle, Department of State  
Brigadier General John Weckerling, Department of the Army  
Colonel Hamilton H. Howze, Department of the Army  
Captain John M. Ocker, USN, Department of the Navy  
Captain Ray Malpass, USN, Department of the Navy  
Colonel Edward H. Porter, Department of the Air Force  
Lieut. Colonel J. C. Marchant, Department of the Air Force

Secretary  
Mr. James Q. Reber  
Central Intelligence Agency

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NSC review(s) completed.

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25X1 International Implications of  
Maintaining a Beachhead in South  
Korea (NIE-16)

1. Action: Agreed that this paper as revised should be issued as a National Intelligence Estimate.

25X1 Intelligence Support on Economic  
Warfare

2. Action: Agreed that it was desirable for the intelligence agencies to gear themselves to provide intelligence support in response to the President's letter of 28 December 1950 assigning to the Secretary of State the responsibility for the development of recommendations in the field of economic warfare. Dr. Langer will head up the IAC cooperation on this project.

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THE WHITE HOUSE  
WASHINGTON

December 28, 1950

My dear Mr. Secretary:

Recent developments in the international situation require that the United States review and adjust certain of its policies and programs with respect to its international economic activities. It is necessary that we now take such measures as are feasible to prevent the flow to countries supporting Communist imperialist aggression of those materials, goods, funds and services which would serve materially to aid their ability to carry on such aggression. We must enlist the cooperation and support of other nations in carrying out those measures; and in securing such support we must stand ready to take such steps as may be necessary to minimize the economic dependency of cooperating nations upon Communist imperialist countries. Such objectives must necessarily be achieved without materially impairing our collateral aim of increasing the flow, and assuring the sound allocation, of strategic and critical materials to the free countries of the world.

It is my desire that to the extent that legislation, organization and funds permit and subject to your advice and concurrence with respect to foreign policy objectives, all appropriate programs of the Government now be adjusted and hereafter administered in the light of the above determinations. I desire that you keep me currently informed of the actions taken by the various agencies involved in support of these objectives.

Further, I request that you take the lead in developing recommendations, for submission to me within the next 30 days, of additional measures to achieve these purposes. The development of recommendations will require an analysis to be undertaken by the Economic Cooperation Administration, with such assistance from other agencies as it may request, of the economy and trade of Communist imperialist aggressors as well as the economy and trade of countries trading with them and the development of specific programs for the adjustment of those trade patterns.

I am having copies of this letter transmitted to the Secretaries of Defense, Treasury, Agriculture, Commerce and Interior, to the Economic Cooperation Administrator, and to the Director of Central Intelligence with the request that they undertake such studies and analyses and participate in the development of recommendations as you may require.

I am also sending copies of this letter to Mr. Harriman and to the Director of the Bureau of the Budget with the request that they work closely with you in the development of the recommendations, the latter especially on those which have organizational and budgetary implications.

Sincerely yours,

s/ Harry S. Truman

To The Honorable  
The Secretary of State